North America Upstream
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Joseph F. Smith, Jr. Unitization Coordinator

July 7, 2003

ChevronTexaco

Hon. James H. Welsh, Commissioner Department of Natural Resources Office of Conservation P. O. Box 94275 - Capitol Station Baton Rouge, Louisiana 70804-9275

Dear Sir:

Chevron U.S.A. Inc. requests the calling of a public hearing, after due legal notice, to consider the following matters pertaining to the 8400 Foot Sand, Reservoir O, in the Bay Marchand Block 2 Field, Lafourche Parish, Louisiana:

- 1. To dissolve the BM2 8400 RO SU created by Order No. 184-X-5, effective July 8, 1997, and simultaneously create a revised reservoirwide unit for the 8400 Foot Sand, Reservoir O;
- 2. To establish rules and regulations governing the exploration for and production of oil and gas from the 8400 Foot Sand, Reservoir O;
- 3. To force pool and integrate all separately owned tracts and mineral leases, and other mineral interests within the unit, and to provide that unit production be shared in the proportion that the number of surface acres underlying each tract bears to the total number of surface acres underlying the entire unit;
- 4. To designate the Chevron U.S.A. Inc. SL 1365 Well No. 32 ST1 as the second unit well for the revised BM2 8400 RO SU;
- 5. To designate Chevron U.S.A. as the Operator of the revised BM2 8400 RO SU;
- 6. To provide that any future replacement and/or alternate wells for said unit shall be exempt from the spacing provisions of Statewide Order No. 29-E;
- 7. To provide for future reclassification of the reservoir without the necessity of a public hearing if such reclassification becomes necessary due to a change in production characteristics;
- 8. To consider other such matters that the Commissioner may deem pertinent.

The 8400 Foot Sand, Reservoir O, in Bay Marchand Block 2 Field is fully defined by Conservation Order No. 184-X-5, effective July 8, 1997.

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Chevron will provide for the advertisement of the legal notice in a newspaper of general circulation in the vicinity of the Bay Marchand Block 2 Field, and also will post the legal notice and unit plat in a prominent place in the area of the field. Chevron will also mail a copy of said legal notice to Interested Owners, Represented Parties and to Interested Parties.

Attached are (1) a copy of the unit plat, (2) a list of Interested Owners, Represented Parties, and Interested Parties, and (3) our check in the amount of \$755.00 to cover the application fee due.

A copy of this application, plat and list attached, is being sent to Mr. Richard D. Hudson, District Manager, Lafayette, Louisiana. A copy of this application and plat are also being sent to each Interested Owner, Represented Party, and Interested Party after a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

The pre-application conference was not held since Chevron did not receive a request to confer.

All pertinent data relating to this notice can be obtained, at the cost of the requesting party, by contacting the undersigned at Chevron U.S. A. Inc., 935 Gravier St., Room 1944, New Orleans, Louisiana 70112, telephone number (504) 592-6710.

Yours truly,

Joseph F. Smith, Jr.

Unitization Coordinator

JFSmith:BM28400ROSU

Attachments

cc: Mr. Richard D. Hudson, District Manager Department of Natural Resources Office of Conservation Lafayette, Louisiana

Interested Owners, Represented Parties and Interested Parties

